

DON L. BALLANTYNE

P O. Box 83335, San Diego, CA 92138

June 8, 2005

Connie Mack III, Chairman
President's Advisory Panel On Federal Tax Reform
1440 New York Avenue NW, Suite 2100
Washington, DC 20220

Dear Chairman Mack:

You have been presented with the FAIR TAX proposal. Other proposals on taxation have also been submitted to you. **PLEASE, DO NOT CONSIDER ANY METHOD OF TAXATION THAT IS BASED ON INCOME.** Our founding fathers knew the EVILS of income tax. Those evils are with us today. This country was meant to be a free country. Your number one task as Americans is to preserve our freedom. The method of paying for government is secondary and should not trample on our Freedom, as does ALL FORMS of Income Tax. An income tax makes it impossible to be free.

The features of the FAIR TAX are:

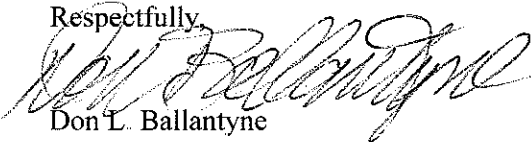
- Progressive: Removes the burden of Social Security tax. Does not tax poor for necessities.
- Fairness: Everyone is treated equally.
- Transparency: Consumer sees it clearly.
- Honesty: No more hiding taxes in confusing schemes by Congress.
- Stability: Consumers and Business can plan better.
- Ease of Compliance: No tax returns, no audits, no strong arming, no fears.
- Simplicity: No one can file a "correct" tax return now.
- Lower cost of Collection: States can collect it with their current collections.
- Ease of Collection: Automatic at the cash register.
- Ease of Transition: It will be a relief for everyone.
- Fewer Filers: Reduced by 85% - 90%. No consumers file.
- Replaces payroll taxes: Workers receive their entire earnings (no Income or Social Security tax).
- Businesses become more productive: Better planning. Eliminates the non-productive efforts and costs of tax planning, compliance, etc.
- Boosts the economy: Eliminates the waste of the system. Means more jobs.
- Puts \$250 billion / year to better use: The savings can be used productively.
- Government revenues remain the same: Experts say they will increase.

This is a moment similar to 1775 and 1776 when a small group of people persuaded the colonies to free themselves from the burdens of King George and the Parliament. This panel can do the same.

Please remove this terrible burden and restore a large part of our freedoms. Restoration of these freedoms will be a legacy for which this Panel can be proud.

RECOMMEND PASSING THE FAIR TAX.

Respectfully,


Don L. Ballantyne

DLB:cr

PRESIDENT'S ADVISORY
PANEL
ON FEDERAL TAX REFORM
2005 JUN 21 P 1:17